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12 SOFTVAULT SYSTEMS, INC.

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

16 | SOFTVAULT SYSTEMS, INC.

CASE NO.

17 Plaintiff,

**COMPLAINT FOR INFRINGEMENT
OF
U.S. PATENT NOS. 6,249,868 AND
6,594,765**

19 DASSAULT SYSTEMES SOLIDWORKS CORPORATION.

Defendant.

JURY TRIAL DEMANDED

1 Plaintiff SOFTVAULT SYSTEMS, INC. files its Complaint against Defendant
2 DASSAULT SYSTEMES SOLIDWORKS CORPORATION, alleging as follows:

3 **THE PARTIES**

4 1. Plaintiff SOFTVAULT SYSTEMS, INC. (“SOFTVAULT”) is a corporation
5 organized and existing under the laws of the State of Washington with its principle place of
6 business in the State of Washington.

7 2. Upon information and belief, DASSAULT SYSTEMES SOLIDWORKS
8 CORPORATION (“Defendant” or “SolidWorks”) is a corporation organized and existing under
9 the laws of the State of Delaware, with its principal place of business in Waltham,
10 Massachusetts. Defendant may be served with process through its registered agent CT
11 Corporation System, 818 West Seventh Street, 2nd Floor, Los Angeles, CA 90017.

12 **JURISDICTION AND VENUE**

13 3. This is an action for infringement of United States patents. This Court has
14 exclusive jurisdiction of such action under Title 28 U.S.C. § 1338(a).

15 4. Upon information and belief, SolidWorks is subject to personal jurisdiction by
16 this Court. SolidWorks has committed such purposeful acts and/or transactions in the State of
17 California that it reasonably knew and/or expected that it could be haled into a California court
18 as a future consequence of such activity. SolidWorks makes, uses, and/or sells infringing
19 products within the Northern District of California and has a continuing presence and the
20 requisite minimum contacts with the Northern District of California, such that this venue is a fair
21 and reasonable one. Upon information and belief, SolidWorks has transacted and, at the time of
22 the filing of this Complaint, is continuing to transact business within the Northern District of
23 California. For all of these reasons, personal jurisdiction exists and venue is proper in this Court
24 under 28 U.S.C. §§ 1391(b)(1), (2) and (c)(2) and 28 U.S.C. § 1400(b).

25 **PATENTS-IN-SUIT**

26 5. On June 19, 2001, United States Patent No. 6,249,868 BI (“the ‘868 Patent”) was
27 duly and legally issued for “METHOD AND SYSTEM FOR EMBEDDED, AUTOMATED,
28 COMPONENT-LEVEL CONTROL OF COMPUTER SYSTEMS AND OTHER COMPLEX

1 SYSTEMS.” A true and correct copy of the ‘868 Patent is attached hereto as Exhibit A and
2 made a part hereof.

3 6. On July 15, 2003, United States Patent No. 6,594,765 B2 (“the ‘765 Patent” was
4 duly and legally issued for “METHOD AND SYSTEM FOR EMBEDDED, AUTOMATED,
5 COMPONENT-LEVEL CONTROL OF COMPUTER SYSTEMS AND OTHER COMPLEX
6 SYSTEMS.” A true and correct copy of the ‘765 Patent is attached hereto as Exhibit B and
7 made a part hereof.

8 7. The '868 Patent and the '765 Patent are sometimes referred to herein collectively
9 as "the Patents-in-Suit."

10 8. As it pertains to this lawsuit, the Patents-in-Suit, very generally speaking, relate to
11 a method and system of protecting electronic, mechanical, and electromechanical devices and
12 systems, such as for example a computer system, and their components and software from
13 unauthorized use. Specifically, certain claims of the '868 and '765 Patents disclose the
14 utilization of embedded agents within system components to allow for the enablement or
15 disablement of the system component in which the agent is embedded. The invention disclosed
16 in the Patents-in-Suit discloses a server that communicates with the embedded agent through the
17 use of one or more handshake operations to authorize the embedded agent. When the embedded
18 agent is authorized by the server, it enables the device or component, and when not authorized
19 the embedded agent disables the device or component.

FIRST CLAIM FOR RELIEF

(Patent Infringement)

22 || 9. SoftVault repeats and realleges every allegation set forth above.

23 10. SoftVault is the owner of the Patents-in-Suit with the exclusive right to enforce
24 the Patents-in-Suit against infringers, and collect damages for all relevant times, including the
25 right to prosecute this action.

26 11. Upon information and belief, SolidWorks is liable under 35 U.S.C. §271(a) for
27 direct infringement of the Patents-in-Suit because it manufactures, makes, has made, uses,

1 practices, imports, provides, supplies, distributes, sells, and/or offers for sale products and/or
2 systems that practice one or more claims of the Patents-in-Suit.

3 12. More specifically, SolidWorks infringes the Patents-in-Suit because it
4 manufactures, makes, has made, uses, practices, imports, provides, supplies, distributes, sells,
5 and/or offers for sale products and systems which prevent unauthorized use of a computer system
6 through the ability to enable or disable the operation of a device's components through an
7 authorization process performed by an embedded agent in the application software and a server.
8 All SolidWorks products which include its product activation features have, at a minimum, in the
9 past directly infringed and continue to directly infringe at least Claim 44 of the '868 Patent, as
10 well as at least Claim 11 of the '765 Patent. These infringing products include, but are not
11 limited to, SolidWorks Standard, SolidWorks Professional, SolidWorks Premium, SolidWorks
12 Simulation Premium, SolidWorks Flow Premium, SolidWorks Plastics, SolidWorks
13 Sustainability, SolidWorks Enterprise Product Data Management, SolidWorks Electrical
14 Professional, SolidWorks Electrical 3D, SolidWorks Electrical Schematic.

15 13. SolidWorks includes the product activation features in its software applications to
16 enforce licensing policies and ensure that only authorized copies of SolidWorks software may be
17 installed and used on a computer. The product activation feature requires that a portion of the
18 code in the installed SolidWorks application communicate with a SolidWorks license server over
19 the Internet to activate (or enable) the application. Upon installation of a SolidWorks application,
20 the product activation feature prompts a user to activate the application by entering in a product
21 key. The license server exchanges messages constituting a handshake operation with the product
22 activation code in the application to determine whether the license for the application is valid.
23 When the product activation code is authorized by the license server, it enables the application in
24 which it is embedded to operate normally. When the product activation code is not authorized
25 by the license server, the application is disabled.

26 14. SolidWorks has actual notice of the Patents-in-Suit at least as early as the filing of
27 this Complaint.

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1 15. SoftVault has been damaged as a result of SolidWorks' infringing conduct.
2 SolidWorks is, thus, liable to SoftVault in an amount that adequately compensates SoftVault for
3 SolidWorks' infringement, which, by law, cannot be less than a reasonable royalty, together with
4 interest and costs as fixed by this Court under 35 U.S.C. § 284.

PRAYER FOR RELIEF

6 SoftVault requests that the Court find in its favor and against SolidWorks, and that the
7 Court grant SoftVault the following relief:

- 8 a. Judgment that one or more claims of the Patents-in-Suit have been infringed,
9 either literally and/or under the doctrine of equivalents, by SolidWorks;
- 10 b. Judgment that SolidWorks account for and pay to SoftVault all damages to and
11 costs incurred by SoftVault because of SolidWorks' infringing activities and other
12 conduct complained of herein;
- 13 c. That SolidWorks, its officers, agents, servants and employees, and those persons
14 in active concert and participation with any of them, be permanently enjoined
15 from infringement of the Patents-in-Suit. In the alternative, if the Court finds that
16 an injunction is not warranted, SoftVault requests an award of post judgment
17 royalty to compensate for future infringement;
- 18 e. That SoftVault be granted pre-judgment and post-judgment interest on the
19 damages caused to it by reason of SolidWorks' infringing activities and other
20 conduct complained of herein;
- 21 f. That this Court declare this an exceptional case and award SoftVault its
22 reasonable attorney's fees and costs in accordance with 35 U.S.C. § 285; and
- 23 g. That SoftVault be granted such other and further relief as the Court may deem just
24 and proper under the circumstances.

JURY DEMAND

26 Plaintiff hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil
27 Procedure.

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2 DATED: July 16, 2014.

/s/ Benedict O'Mahoney

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